



Tourism & Events Department
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To: Linda Dillenbeck, Chairperson
Tourism Development Commission

From: Karen Churchard, Tourism & Events Director
Jackie Contaldo, Downtown Specialist

Date: August 15, 2018

Subject: Old Town Matching Marketing Program

Following a pilot matching marketing program in FY 2017/18 between the City of Scottsdale's Tourism & Events Department (TED) and The Scottsdale Gallery Association (SGA), TED is looking to formalize a matching marketing program and make it available to additional tourism industry stakeholders and organizations in the Old Town area in FY 2018/19. Utilizing \$100,000 in tourism development carryover funds, as recommended by the TDC and approved by City Council in the adopted FY 2018/19 budget, TED will award up to \$30,000 to applicants who meet the established criteria, until the approved funds are depleted, to support Old Town and the awarded marketing initiatives.

Purpose of Program

Primary recommendations are that the program support the City's current downtown visitation marketing efforts highlighting Old Town as a competitive, attractive, culturally-rich and diverse destination by matching the marketing funds (dollar-for-dollar) of applicants whose marketing initiatives showcase:

- collaborative partnerships;
- that the program strives to encourage cooperative marketing initiatives with increased partnerships across tourism industry stakeholders;
- active marketing of Old Town's assets to residents and leisure tourists;
- themed promotions, advertising, and public relations aimed at niche audiences.

Program Qualifications

Staff recommends that applicant(s) who meet all the following criteria would be considered for matching funds:

- Funds must be used to promote and enhance businesses in one or more of Old Town's districts (Arts, Brown & Stetson, Civic Center Park, Entertainment, Fifth Avenue Shopping, Historic, Southbridge, Waterfront) and provide significant exposure to City-owned assets/points of interest within each. *Funds might also be used to promote a specific theme or industry if a compelling case is presented to the City in the completed application.*
- Marketing initiatives must align with Scottsdale's brand image and support at least one tourism driver: art and culture, culinary, golf, sports and recreation or western.

- Marketing initiatives proposed must link destinations/attractions through a common theme or niche offering and be aimed at important consumer markets.
- Each marketing program application must have one “Lead Organizer” partner who will serve as the administrator, submit the full application, final marketing results and reimbursement requests as well as interface with TED staff in a timely manner.
- The Lead Organizer must accept administrative responsibility for the project and must secure a minimum of two or more organizations (partners) with significant interest in the project.
- The Lead Organizer must take an active role in the project promotion.
- The funding application may be received at any time. Once received, the process can take between 45-90 days to complete.
- Applicants must match their marketing fund amounts dollar-for-dollar.
- Old Town Scottsdale and City of Scottsdale logo must appear on all marketing materials and be legible. *When logo can't be present the words “Old Town Scottsdale” must be included.*
- Old Town Scottsdale website (OldTownScottsdaleAZ.com) must appear on all marketing materials.

Potential Uses for Funds

Funds may be used for a single marketing initiative or in combination with other marketing initiatives.

Examples of eligible uses of matching funds include:

- Traditional advertising (print, television, out-of-home, radio)
- Social Media advertising
- Web-based or digital advertising/marketing
- Paid advertising production and placement
- Website development/enhancement/search engine optimization targeted to leisure tourists
- Video production if it relates directly to marketing Old Town Scottsdale and the applicant
- Printing/mailling costs for collateral materials (ex: guides, directories and direct mail campaigns)
- Promotional activities
- Enhancements to existing marketing programs
- Outdoor advertising (billboards, bus stops, unconventional)
- Wayfinding (signage, maps, trails). Requires City processes, approvals and permits.

Funds May Not Be Used For

The following types of marketing programs or initiatives are not eligible for funding:

- Capital investments
- Salary support, personnel costs
- Strategic plan development
- Public relations fees and retainers
- Tradeshow registration fees, booth rentals, conferences or membership dues
- Travel costs (food, lodging, entertainment)
- Database development
- Market research to identify target markets
- Facility rental/insurance; purchase or rental of equipment or supplies
- Food or alcoholic beverages

- Items for resale
- Operating costs (including web hosting and domain registration)

Funding Availability

Tourism development carryover funds in the amount of \$100,000, as recommended by the TDC and approved by City Council in the adopted FY 2018/19 budget, are available for a matching marketing fund program in FY 2018/19.

Disbursement of Funds

The Old Town Matching Marketing Program reimburses awardees for documented paid marketing costs incurred to implement their program. Within 60 days after the date of the signed agreement, the Lead Organizer shall provide the City an invoice for 75% of the awarded marketing amount. Within 30 days after receipt of the invoice, the City shall make payment to the Lead Organizer for 75% of the awarded marketing amount. The City will not be obligated to pay any part of a late invoice. Following the completion of the marketing initiatives, the City will remit the remaining 25% payment within 120 days of final invoice, barring successful receipt of all reporting and completion of marketing initiatives as outlined in the agreement.

- Reimbursement requests can be submitted only once per month.
- Reimbursements will be made by check and only issued to the Lead Organizer.
- Final reimbursement requests must be received within 60 days of marketing initiative end date.

Application and Approval Process

Applications:

- Read application document entirely. Only apply if marketing initiatives fully meet qualifications.
- Fill out application. Incomplete submissions will not be accepted. *Only (1) application per marketing initiative is allowed.*
- Applying for the Old Town Matching Marketing Fund does not disqualify the applicant from receiving Tourism Event Development Funds.
- Submit application via mail or email to City of Scottsdale Tourism & Events Department.

Approval:

- Applications will be reviewed by City of Scottsdale staff for eligibility, accuracy, and possible recommendation.
- Recommendations are approved by Scottsdale City Council.

Staff Recommendation

Staff is recommending outreach with the TDC, City Attorney's Office and merchants before finalizing the above program as questions remain whether applicants must be a specified district within Old Town – as previously discussed – or a specific theme/industry if a compelling case is presented in the completed application. Additionally, items italicized in the above memo are items that need further outreach and discussion.

Staff is also recommending that a new one-year FY 2018/19 agreement with the SGA for the Arts District Brochure be recommended to City Council for their approval. The FY 2017/18 pilot project had successful distribution of brochures to key resort hotels and direct mailing to 15,000 Phoenix Metro homes that sold for \$700,000 within the past five years.